GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:5626
ANSWERED ON:07.04.2017
Settlement of Food Cash Credit Accounts
Kharge Shri Mallikarjun

Will the Minister of FINANCE be pleased to state:

(a) whether the State Government of Punjab has asked the Reserve Bank of India (RBI) and the Public Sector Banks (PSBs) to restructure its debt for the settlement of the Food Cash Credit Accounts and if so, the details thereof and if not, the reasons therefor; and

(b) the present status in this regard?

Answer

The Minister of State in the Ministry of Finance

(a) & (b): Based on the request of the State Government of Punjab (GoP) from time to time and on 22.12.2016, the Central Government, has approved one time settlement of the outstanding amount in legacy Cash Credit Accounts (upto crop season 2014-15) of GoP of approx. Rs. 31,000 crore through their conversion into a term loan repayable over a period of 20 years with the option for pre-payment.